

Memorandum

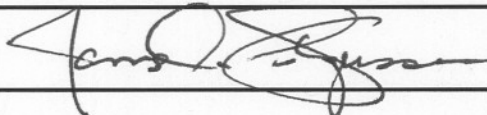
TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen
Jane Light

SUBJECT: CAMBRIAN BRANCH
LIBRARY

DATE: 02-04-05

Approved



Date

2.4.05

Council District: 9

REASON FOR SUPPLEMENTAL MEMO

To provide additional information after bids were opened.

RECOMMENDATION

- A. Report on bids and award of contract for the Cambrian Branch Library Project to the low bidder, Bogard Construction, Inc., to include the base bid and Add Alternate Nos. 1, 2, 3 and 4, in the amount of \$8,997,478, and approval of a contingency in the amount of \$900,000.
- B. Adoption of a resolution approving the Cambrian Branch Library Project and incorporating environmental mitigation measures as set forth in the Mitigation Monitoring And Reporting Program for the project.

CEQA: Mitigated Negative Declaration, File No. PP04-05-168.

BACKGROUND

The New Cambrian Branch Library is the eighth library to be constructed using City Library Bond Funds and is based on the Branch Facility Master Plan approved by Council in September 2000. The site is located at 1780 Hillsdale Avenue. The new library replaces the existing Cambrian Library on the same site.

The base bid scope of work includes demolition of the existing building and parking lot, and construction of a new 27,800 square foot two-story building. The new library will include various reading areas, a tech center, a new Internet café area, children and adult collection spaces, and a community meeting room. The new parking lot would be on both sides of the building and will provide 89 spaces.

On February 2, 2005 the City obtained a court order of possession for a portion of the PG&E property at the east end of the property. Pursuant to the order of possession, the City will be able to take possession of the property by July 1, 2005 for purposes of constructing a parking lot. Now that the City has obtained the order of possession, it possesses all property interests necessary to construct the project.

Construction is scheduled to begin in March 2005 with completion in August 2006.

ANALYSIS

Bids were opened on January 27, 2005 with the following results:

<u>Contractor</u>	<u>Base Bid</u>	<u>Add Alt Total</u>	<u>Total Bid</u>	<u>Variance Amount</u>	<u>Over/ (Under) Percent</u>
Sausal Corporation, Co. (San Leandro)	\$9,973,000	\$419,200	\$10,392,200	\$713,200	7
Fedcon Construction Co. (Valencia)	9,716,000	369,000	10,085,000	406,000	4
McCrary Construction Co. (Belmont)	9,714,000	321,126	10,035,126	356,126	4
Arntz Builders (Novato)	9,471,549	333,387	9,804,936	125,936	1
John Plane Construction (Burlingame)	\$9,394,000	368,000	9,762,000	83,000	1
West Coast Contractors (Fairfield)	9,416,000	315,000	9,731,000	38,000	1
Engineer's Estimate	9,400,000	279,000	9,679,000	-	-
BRCO Constructors (Loomis)	9,195,000	311,000	9,506,000	(173,000)	(2)
West Bay Builders, Inc. (Novato)	9,240,000	232,500	9,472,500	(206,500)	(2)
Bogard Construction (Santa Cruz)	8,660,000	337,478	8,997,478	(681,522)	(7)

<u>Contractor</u>	<u>Add Alt. No.1</u>	<u>Add Alt. No.2</u>	<u>Add Alt. No.3</u>	<u>Add Alt. No.4</u>
Sausal Corporation, Co.	\$121,000	\$92,200	\$109,000	\$97,000
Fedcon Construction Co.	\$78,000	\$120,000	\$110,000	\$61,000
McCrary Construction Co.	\$96,126	\$125,000	\$49,000	\$51,000
Arntz Builders	\$63,963	\$116,799	\$98,704	\$53,921
John Plane Construction	\$78,000	\$120,000	\$120,000	\$50,000
West Coast Contractors	\$75,000	\$110,000	\$115,000	\$15,000
Engineer's Estimate	\$54,000	\$125,000	\$49,000	\$51,000
BRCO Constructors	\$71,000	\$78,000	\$107,000	\$55,000
West Bay Builders, Inc.	\$57,500	\$117,000	\$38,000	\$20,000
Bogard Construction	\$79,461	\$123,057	\$114,542	\$20,418

The low bid submitted by Bogard Construction is 7 percent under the Engineer's Estimate. Staff considers this reasonable for the work involved.

The Second low bidder, West Bay Builders, Inc., submitted a letter protesting the award of a contract to Bogard Construction. The essence of the protest is that Bogard's bid is non-responsive for the following reasons: (1) Bogard failed to list subcontractors for two key sub-trades (terrazzo flooring, and elevator installation and maintenance), and (2) Bogard is not licensed to perform the work itself and does not possess the requisite experience to perform such work. The letter submitted by West Bay Builders is attached. There is nothing on the face of the Bogard's bid indicating that it is non-responsive. Bogard's bid lists a number of subcontractors. To the extent that Bogard may not have listed a subcontractor to perform a particular item of work, then it is obligated to perform the work itself. Nothing prevents a prime contractor from hiring someone as an employee in order to meet this obligation. Furthermore, Bogard and/or any of its subcontractors will need to provide the City with the appropriate documentation of experience along with any submittals. Therefore, the protest does not appear to have any merit.

The conclusion that the bid protest of West Bay Builders is without merit is further supported by Bogard's written response, which is also attached. In that response, Bogard states that it did appropriately list subcontractors to perform the terrazzo and elevator work.

Based upon the above, we recommend rejecting the bid protest and awarding this contract to the low bidder, Bogard Construction.

Council policy provides for a standard contingency of 10 percent on public works projects. The standard contingency is appropriate for this project.

In accordance with the Green Building Policy, this project was designed and will be built to meet or exceed the equivalent of a "Certified" rating using the LEED rating system.

CEQA

Planning has issued a mitigated negative declaration for this project. The mitigated negative declaration identifies a number of mitigations that will be implemented in order to address environmental impacts. These mitigation measures and their manner of implementation are identified in the Mitigation Monitoring And Reporting Program for the project. These mitigations have been incorporated into the project design and the construction documents. As part of today's action, staff is requesting Council to approve these mitigations and their manner of implementation, as set forth in the Mitigation Monitoring And Reporting Program, and direct the implementation of these mitigations as part of the project.

PUBLIC OUTREACH

Community participation in the master planning effort through various community participation meetings for this branch was solicited through flyers at various branches and mailers to the nearby residents as stated in the Planning Outreach guidelines.

To solicit contractors, this project was listed on the City's Internet Bid Line and advertised in the *San José Post Record*. Bid packages for all Department of Public Works construction projects are provided to various contractor organizations, and builder's exchanges

COORDINATION

This project and memorandum have been coordinated with the Departments of General Services, Finance, Planning, Building and Code Enforcement, the City Manager's Budget Office, and the City Attorney's Office.

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$8,997,478

2. COST OF PROJECT:

Project Delivery	\$ 2,396,000
Construction	8,997,478
Contingency	900,000
Public Art	230,000
TOTAL PROJECT COSTS	\$12,523,478

Prior Year Expenditures	(1,425,166)
REMAINING PROJECT COSTS	\$11,098,312

3. SOURCE OF FUNDING: 472 – Branch Libraries Bond Projects Fund
4. FISCAL IMPACT: This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy. The renovated Cambrian Branch will have a net annual operating and maintenance impact of \$113,000 starting in FY 2006-2007.

BUDGET REFERENCE

Fund #	Appn. #	Appn. Name	RC #	Total Appn.	Amt. For Contract	2004-2005 Adopted Budget Page	Last Budget Action (Date, Ord. No.)
Remaining Project Costs			\$11,540,834				
Current Funding Available:							
472	4790	Cambrian Branch	Various	\$11,505,000*	\$8,997,478	V-457	10/12/04, Ord. No. 27267
		TOTAL		\$11,505,000			

*An additional \$440,000 is budgeted in the Library Bond Fund in 2005-2006 (\$332,000) and 2006-2007 (\$108,000) for project costs.

NONDISCRIMINATION

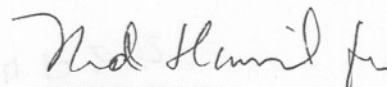
The City of San José Nondiscrimination Requirements are included in this project as required by Chapter 4.08 of the San Jose Municipal Code.

CEQA

Mitigated Negative Declaration, File No. PP04-05-168.



KATY ALLEN
Director, Public Works Department



JANE LIGHT
Director, Library